

Preparing to Retire in Three Months

Service Retirement

Service retirement benefits are available to members who cease ERS-covered employment and meet minimum service and/or age requirements

A **Tier 1** member is eligible to receive a lifetime monthly retirement benefit under the following conditions:

- ◆ He or she has at least 10 years of service credit and has attained the age of 60 (age 52 for State Police),
- Or**
- ◆ After accumulating 25 years of service credit (30 years for agencies who have not adopted 25-year retirement) at any age.

A member is eligible to retire the first day of the month following attainment of age 60 with 10 years of creditable service or the first day of the month following attainment of 25 years of service credit (30 years for non-25-year retirement agencies). Eligible members may convert unused sick leave days to service credit to meet the minimum requirement for service retirement.

The retirement process consists of two parts.

The **RETIREMENT APPLICATION PACKET PART I FOR STATE EMPLOYEES** includes:

- ◆ FORM 10 – APPLICATION FOR RETIREMENT
- ◆ FORM 12, INSURANCE AUTHORIZATION form
- ◆ DIRECT DEPOSIT AUTHORIZATION form.

The **RETIREMENT APPLICATION PACKET PART I FOR NON-STATE EMPLOYEES** includes:

- ◆ FORM 10 – APPLICATION FOR RETIREMENT
- ◆ DIRECT DEPOSIT AUTHORIZATION form.

Once the ERS has received the PART I forms, both state and non-state employees will be sent **PART II – RETIREMENT BENEFIT OPTION SELECTION AND TAX FORM PACKET** includes:

- ◆ RETIREMENT BENEFIT OPTION SELECTION form
- ◆ WITHHOLDING CERTIFICATE FOR PENSION OR ANNUITY PAYMENTS form
- ◆ RETIREMENT ALLOWANCE REPORT
- ◆ POSTRETIREMENT EMPLOYMENT INFORMATION.

Checklist for Retirement for a July 1 retirement date

April

- ☐ Request the RETIREMENT APPLICATION PACKET PART I if you have not done so from your employer, or download it from our website at www.rsa-al.gov, or phone RSA Member Services at 877.517.0020.

- ☐ It is the responsibility of the member to notify the ERS in writing regarding intent to retire. Please include your full name and Social Security number on all written correspondence.
- ☐ Work on completing your retirement application.
***Remember:** The application must be submitted to the ERS **no less than 30 days (June 1) or more than 90 days (April 1) prior to the effective retirement date (July 1)**. If your application is received less than 30 days prior to your projected retirement date, your effective retirement date will be delayed until the following month.
- ☐ Do not forget to examine the health insurance information located on the back of the application for state employees.
- ☐ If contributing to the RSA-1 Deferred Compensation Plan, phone Member Services or visit our website for information on your distribution options at retirement.
- ☐ Study the regulations for postretirement employment.
- ☐ The RETIREMENT APPLICATION PACKET PART I should be completed and ready to submit to:
 Employees' Retirement System
 Post Office Box 302150
 Montgomery, AL 36130-2150
- ☐ Use Direct Deposit for your monthly retirement check.
- ☐ If you are eligible for Medicare, confirm your arrangements for coverage under Part A and Part B. For your records, jot down the date you spoke with the Social Security representative and his or her name.

May

- ☐ Submit your retirement application to the ERS if you have not done so and check on your RSA-1 account to make sure you have completed any required paperwork.
- ☐ Promptly respond to any communications you receive from the ERS or RSA-1.
- ☐ Check on your health insurance coverage to avoid any glitches or delays.
- ☐ Complete all necessary paperwork or obligations to your employing agency or school district.
- ☐ Make sure that you receive the PART II - RETIREMENT BENEFIT OPTION SELECTION and TAX FORM PACKET. These forms must be completed and submitted to ERS prior to the effective date of retirement (July 1). **Failure to select either the Maximum Monthly Benefit or one of the Optional Monthly Benefits will, by law, result in the Maximum Monthly Benefit as the member's retirement benefit selection.**

June

- ☐ The retirement application must have been submitted to the RSA no less than 30 days from your projected retirement date.
- ☐ Fulfill all employment obligations and complete any outstanding paperwork.
- ☐ Make sure that you **completed and returned** to the ERS the RETIREMENT BENEFIT OPTION SELECTION and TAX FORM PACKET. These forms must be completed and submitted to ERS prior to the effective date of retirement (July 1).
- ☐ You will be mailed a retirement letter that confirms your option selection, federal taxation information, and health insurance deduction information if applicable.
- ☐ Be prepared to venture into the next exciting chapter of your life.

Prepared by the Communications staff of the Retirement Systems of Alabama. To have your questions answered in "Preparing for Retirement", please address them to **Michael Pegues, Communications, Retirement Systems of Alabama, P.O. Box 302150, Montgomery, Alabama 36130-2150**. Please visit our website at www.rsa-al.gov.